

BEFORE THE
ILLINOIS COMMERCE COMMISSION

ILLINOIS-AMERICAN WATER COMPANY) DOCKET NO.
) 04-0522
Application for Certificate of)
Public Convenience and Necessity)
to Provide Water and/or Sanitary)
Sewer Service to Parcels in Cook,)
Kendall, DuPage and Will Counties,)
Illinois, pursuant to Section 8-406)
of the Public Utilities Act.)

Springfield, Illinois
December 7, 2004

Met, pursuant to notice, at 1:30 P.M.

BEFORE:

MR. LARRY JONES, Administrative Law Judge

APPEARANCES:

MS. MARY SULLIVAN
300 North Water Works Drive
Belleville, Illinois 62230

(Appearing on behalf of Illinois-American
Water Company via teleconference)

SULLIVAN REPORTING COMPANY, by
Carla J. Boehl, Reporter
Ln. #084-002710

1 APPEARANCES: (Cont'd)

2 MS. CARLA SCARSELLA
3 160 North LaSalle Street
4 Chicago, Illinois 60601

5 (Appearing on behalf of Staff of the
6 Illinois Commerce Commission via
7 teleconference)

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I N D E X

<u>WITNESSES</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>
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e-Docket 27

IAWC BK 1.0, 1.1, 1.2, 1.3,

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1 PROCEEDINGS.

2 JUDGE JONES: Good afternoon. I call for
3 hearing Docket Number 04-0522, Illinois-American
4 Water Company, application for a Certificate of
5 Public Convenience and Necessity to provide water
6 and/or sanitary sewer service to parcels in Cook,
7 Kendall, DuPage and Will Counties pursuant to
8 Section 8-406 of the Public Utilities Act.

9 At this time may we have the appearances
10 orally for the record, first on behalf of the
11 Applicant Illinois-American Water Company?

12 MS. SULLIVAN: Yes. On behalf of
13 Illinois-American this is Mary Sullivan. My address
14 is 3000 North Water Works Drive, Belleville,
15 Illinois 62223, phone number (618) 239-2220. E-mail
16 address msulliv@illinoisamerican.com.

17 MS. SCARSELLA: Appearing on behalf of Staff
18 witnesses of the Illinois Commerce Commission, Carla
19 Scarsella, 160 North LaSalle Street, Suite C-800,
20 Chicago, Illinois 60601. My phone number (312)
21 793-3305.

22 JUDGE JONES: Thank you. Are there any other

1 appearances? Let the record show there are not.

2 At this time for purposes of providing an
3 opportunity briefly off the record to go over the
4 agenda for today's hearing, we are hereby go off the
5 record.

6 (Whereupon there was
7 then had an
8 off-the-record
9 discussion.)

10 JUDGE JONES: Back on the record. There was an
11 off-the-record discussion for the purposes
12 indicated. To some extent that concerns some
13 right-of-way or easement related questions that have
14 come up in the docket. There will be some questions
15 of one of the water company witnesses with respect
16 to that.

17 There was also some brief discussion
18 regarding some of the other issues addressed by the
19 company witnesses and we will simply take those up
20 as we get to the witnesses.

21 There was also some discussion regarding
22 further scheduling and we will get back to that

1 obviously as well.

2 Do the parties have anything they would
3 like to note for the record with respect to the
4 off-the-record discussion before we allow the
5 company to proceed with its case?

6 MS. SCARSELLA: None from Staff, Your Honor.

7 MS. SULLIVAN: None for the company.

8 JUDGE JONES: Ms. Sullivan, it is my
9 understanding that you would like to call your
10 witnesses at this time and have them sponsor their
11 respective pieces of testimony, is that correct?

12 MS. SULLIVAN: That is correct.

13 JUDGE JONES: And you can proceed in whatever
14 order you wish.

15 MS. SULLIVAN: Do they need to be sworn in?

16 JUDGE JONES: We will swear them in. I think
17 we will go ahead and swear all of the witnesses at
18 the same time. So would all of the witnesses please
19 raise your right hand and be sworn?

20 (Whereupon the
21 Witnesses were duly
22 sworn by Judge Jones.)

1 MS. SULLIVAN: I would like to call Mr. Grubb
2 first, please.

3 JUDGE JONES: Okay. That's fine. Go right
4 ahead.

5 EDWARD J. GRUBB
6 called as a Witness on behalf of Illinois-American
7 Water Company, having been first duly sworn, was
8 examined and testified as follows:

9 DIRECT EXAMINATION

10 BY MS. SULLIVAN:

11 Q. Mr. Grubb, would you state your name for
12 the record, please.

13 A. Edward J. Grubb.

14 Q. Your position with the company?

15 A. I am the rates and regulation manager with
16 American Water Works Service Company. I am also the
17 assistant treasurer of Illinois-American Water
18 Company.

19 Q. Are you the same Mr. Grubb who previously
20 filed direct testimony in this proceeding 04-0522?

21 A. Yes, I am.

22 Q. And did your testimony consist of four

1 pages and two attached exhibits?

2 A. Yes.

3 Q. And if I ask you the questions today that
4 you answered in your prepared testimony, would your
5 answers to those questions be the same today as when
6 you answered?

7 A. They would be the same except I have one
8 minor correction on Exhibit EJG 1.1.

9 Q. And what would that correction be?

10 A. In the second line down change the word
11 Missouri to Illinois so the end of the sentence says
12 Mr. Grubb is also the assistant treasurer for
13 Illinois-American Water Company.

14 Q. Do you have any other changes to your
15 testimony?

16 A. No, I do not.

17 MS. SULLIVAN: At this time we would move for
18 the admission of what has been labeled IAWC Exhibit
19 EJG 1.0 with Attachments 1.1 with that one
20 correction and 1.2 consisting of 17 pages.

21 JUDGE JONES: Thank you. Any objection from
22 Staff?

1 MS. SCARSELLA: None from Staff.

2 JUDGE JONES: All right. Let the record show
3 those exhibits are admitted into the evidentiary
4 record.

5 (Whereupon IAWC Exhibit
6 EJG 1.0 with
7 Attachments 1.1 and 1.2
8 were admitted into
9 evidence.)

10 JUDGE JONES: One clarifying question, though,
11 with regard to EJG 1.1. If we admit the exhibit as
12 filed on e-Docket, it says what it says on e-Docket
13 but the record will be supplemented and clarified by
14 the oral Q and A that occurred today during your
15 examination of the witness. Is that satisfactory to
16 the company?

17 MS. SULLIVAN: Yes.

18 JUDGE JONES: All right. Let the record show
19 that the exhibits sponsored by Mr. Grubb are
20 admitted into the evidentiary record as filed
21 electronically on October 8, 2004. That includes
22 Files 1, 2 and 3 on the e-Docket sheet for that

1 filing. These will be known as IAWC exhibits, that
2 will be the prefix. Otherwise, they will be
3 admitted as identified on the face of the exhibits
4 and on the e-Docket sheet, more specifically EJG
5 1.0, EJG 1.1 and EJG 1.2. No hard copies are
6 required for any of those exhibits. Does Staff have
7 any questions for Mr. Grubb, Ms. Scarsella?

8 MS. SCARSELLA: No, no cross examination from
9 staff.

10 EXAMINATION

11 BY JUDGE JONES:

12 Q. Mr. Grubb, could you explain for the record
13 how the so-called change in rate base line was
14 calculated?

15 A. Yes, judge. At the time that the
16 extensions are made, the developers who will be
17 working on these projects will be funding those
18 costs. And as a result of that there is basically
19 no rate base on the company's books. However, as
20 customers are added to our system, the company will
21 be making per tariff a refund to the developer one
22 and a half times the revenues from the previous

1 years, the incremental increase in the revenues for
2 the previous years. So therefore, as the company
3 makes those refunds, rate base is created through
4 that mechanism and that would occur throughout the
5 2005 through 2009 time frame as customers are added.

6 Q. So the only incremental impact on rate base
7 is as shown in the change on rate base line which is
8 the accumulative total of refunds net of accumulated
9 depreciation?

10 A. That's correct.

11 JUDGE JONES: Thank you. Any follow-up
12 questions on that?

13 MS. SULLIVAN: Not for the company.

14 JUDGE JONES: All right. There are none.
15 Thank you, Mr. Grubb. Your examination is
16 completed.

17 (Witness excused.)

18 THE WITNESS: Thank you very much.

19 JUDGE JONES: Ms. Sullivan, your next witness.

20 MS. SULLIVAN: Call Bob Kahn.

21 JUDGE JONES: Mr. Kahn has been sworn so you
22 may go ahead with your examination.

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BOB KAHN

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called as a Witness on behalf of Illinois-American

5

Water Company, having been first duly sworn, was

6

examined and testified as follows:

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DIRECT EXAMINATION

8

BY MS. SULLIVAN:

9

Q. Bob, could you state your name for the

10

record, please.

11

A. Yes, Bob Kahn.

12

Q. And your position with the company?

13

A. I am the manager of product delivery and

14

developer services.

15

Q. Is that the Chicago metro service area?

16

A. Yes.

17

Q. Bob, did you previously file direct and

18

rebuttal testimony in this proceeding?

19

A. Yes, I did.

20

Q. Looking at your direct testimony, did that

21

consist of 65 typewritten pages?

22

A. Yes, it does.

1 Q. Attached to your testimony as Exhibit BK
2 1.1, 1.2 and 1.3, were there three exhibits attached
3 to your testimony?

4 A. Yes, there were.

5 Q. As a part of your rebuttal testimony were
6 those three exhibits revised?

7 A. Yes, they were.

8 Q. Looking at your rebuttal testimony, does
9 that consist of four pages of questions and answer?

10 A. Yes, it does.

11 Q. And attached to your testimony are there
12 six exhibits?

13 A. Yes, there are.

14 Q. And are those exhibits labeled 2.1 through
15 2.6?

16 A. Yes, they are.

17 Q. And if I ask you the same questions today
18 as that you answered in your direct testimony as
19 well as your direct testimony, if I ask you those
20 questions today would your answers be the same today
21 as when you prepared that testimony?

22 A. Yes, it would be.

1 Q. With the exception that you would have to
2 make changes to those exhibits that were attached to
3 your original direct testimony?

4 A. That is correct.

5 Q. Looking at your rebuttal testimony, if I
6 ask you those questions today, would your answers be
7 the same today as they were when you prepared that
8 rebuttal testimony?

9 A. They will be the same.

10 Q. And do you have any corrections to either
11 your direct testimony, your rebuttal testimony or to
12 any of the exhibits attached to your rebuttal
13 testimony?

14 A. No, I do not.

15 MS. SULLIVAN: At this time the company would
16 ask for admission of Mr. Kahn's direct testimony and
17 rebuttal testimony with the six exhibits.

18 JUDGE JONES: Thank you. Any objection?

19 MS. SCARSELLA: None from Staff.

20 JUDGE JONES: All right. Let the record show
21 that request is granted. More specifically, the
22 following exhibits are admitted into the evidentiary

1 record as filed electronically. First, the direct
2 testimony as filed electronically on September 24,
3 2004, is admitted as IAWC Exhibit 1.0. Correction,
4 let's make that IAWC Exhibit BK 1.0. That is File
5 Number 1 on the sheet for September 24, 2004. Also
6 admitted are IAWC Exhibits BK 1-1, BK 1-2 and BK 1-3
7 as File 2, 3 and 4 on the September 24, 2004,
8 filing. Regarding the rebuttal, Mr. Kahn's rebuttal
9 testimony is admitted as filed electronically on
10 December 2, 2004. That will be known as IAWC
11 Exhibit BK-2.0. That corresponds to File Number 1
12 made on December 2, 2004. The attachments are also
13 admitted. More specifically those are IAWC Exhibits
14 BK 2.1, BK 2.2, BK 2.3, BK 2.4 and BK 2.5 and BK 2.6
15 as listed on the December 2 e-Docket filing sheet.
16 (Whereupon IAWC Exhibits BK 1.0, BK
17 1.1 BK 1.2 BK 1.3 BK
18 2.0, BK 2.1, BK 2.2, BK
19 2.3, BK 2.4, BK 2.5 and
20 BK 2.6 were admitted
21 into evidence.)

22 JUDGE JONES: Any questions about that? There

1 are not. Is Mr. Kahn tendered for questions?

2 MS. SULLIVAN: Yes.

3 JUDGE JONES: Does Staff have any questions for
4 the witness?

5 MS. SCARSELLA: None from Staff.

6 EXAMINATION

7 BY JUDGE JONES:

8 Q. Mr. Kahn, can you hear me okay?

9 A. Yes.

10 Q. One of the exhibits that you have sponsored
11 on December 2 is BK 2.6, is that correct?

12 A. That is correct.

13 Q. Now, there are several vertical columns in
14 that exhibit, is that right?

15 A. That is correct.

16 Q. Now, one of those is called Developer and
17 then the one after that is called Easement Provider.
18 Do you see those columns?

19 A. Yes, I do.

20 Q. Now, when you use the term Developer in
21 that exhibit, what are you referring to?

22 A. It is basically the developer who is

1 developing the project who has requested service
2 from us and is responsible for that development.

3 Q. So is it your testimony that wherever the
4 word Developer appears in that chart, that is the
5 party that requested service from your company?

6 A. That is correct.

7 Q. All right. Now, location 1C under Easement
8 Provider says homeowners?

9 A. Yes, and in this case the homeowners
10 requested service and they provided us easements on
11 their property for service to their property.

12 Q. All right. Is it your testimony then that
13 any easement involved in location 1C is in
14 connection with the homeowner's request for water
15 service?

16 A. That is correct.

17 Q. Or sewer service, as the case may be?

18 A. Both water and sewer in this case.

19 Q. Now, moving down to 2B under Southwest
20 Suburban, there is reference to off-site from a
21 landowner's development. Do you see that reference?

22 A. Yes, I do.

1 Q. What's the status of that location?

2 A. To my knowledge it still is not final yet.

3 Q. And what is it about that location that is
4 not final at this point?

5 A. I believe they were still trying to decide
6 the final route of the facilities, and I think to my
7 knowledge that's where it still stands.

8 Q. Now, with respect to the so-called off-site
9 landowner at that location, has that landowner or
10 any landowner been contacted with respect to
11 obtaining an easement from them?

12 A. No, the company has not contacted any
13 landowners.

14 Q. So is it your testimony that the company
15 has not contacted any landowners other than ones
16 referred to as developers or homeowners?

17 A. That is correct.

18 Q. So with respect to the so-called off-site
19 easement providers is it your testimony that the
20 company has not contacted any such individuals?

21 A. That is correct.

22 Q. Now, on 2D under Easement Provider it says

1 among other things off-site from Commonwealth Edison
2 and a landowner north of development. Do you see
3 that language?

4 A. Yes, I do.

5 Q. All right. First with respect to ComEd,
6 what's the status of that easement?

7 A. I believe that is a crossing underneath the
8 power lines and I believe that has been obtained by
9 the developer.

10 Q. Oh, you believe the developer obtained that
11 from ComEd?

12 A. Yes, and it is just a crossing underneath
13 their power lines.

14 Q. So does your company have those easement
15 rights at this time or do you know?

16 A. I believe we do, although I would have to
17 check.

18 Q. In any event, your testimony is that the
19 developer obtained easement rights from ComEd?

20 A. That is correct.

21 Q. Then there is also a reference to a
22 landowner north of the development?

1 A. Yes, and that is to the best of our
2 knowledge still being finalized and there is a
3 question on the routing of the water main. So we
4 don't know which one it will be. It may not be any
5 one at all.

6 Q. So is it your testimony that the exact line
7 route has not been determined for that particular
8 situation?

9 A. That is correct.

10 Q. Has your company contacted any landowners?

11 A. No, we have not.

12 Q. Then moving on down to 2F there is
13 reference to off-site from Commonwealth Edison. Do
14 you see that language?

15 A. Yes, I do.

16 Q. What's the status of that?

17 A. I believe that crossing has been obtained
18 by the developer.

19 Q. Then there is also reference to Gallagher
20 and Henry, Inc., G-A-L-L-A-G-H-E-R, and Henry, Inc.
21 Do you see that reference?

22 A. Yes, I do.

1 Q. What is the story there?

2 A. They are a developer of an adjacent piece
3 of land and they granted the easement to the
4 developers of Founders Crossing.

5 Q. Has your company in turn obtained those
6 easement rights from the developer of Founders
7 Crossing or do you know?

8 A. I believe we have.

9 Q. In any event, what you are saying is all
10 easement rights that your company needs with respect
11 to 2F have been obtained from the developer known as
12 Founders Crossing, LP?

13 A. That is correct.

14 Q. Then under location 3 Liberty Ridge, Sub A,
15 there is reference to off-site from Commonwealth
16 Edison. Do you see that still on page 1?

17 A. Yes, I do.

18 Q. What's the status of that?

19 A. I believe that's again a power line
20 crossing and the developer Woodland Oaks obtained
21 that crossing easement.

22 Q. How about DuPage County?

1 A. That was a crossing of a county
2 right-of-way and an easement was obtained by the
3 developer.

4 Q. Now, on page 2, Item 4, valley Marina A,
5 off-site from Commonwealth Edison?

6 A. Yes, that again is a crossing of
7 Commonwealth Edison's power lines and a developer,
8 Glosse (sp) Developers, obtained that easement.

9 Q. Now, under location 6, Valley View C,
10 what's the status of that?

11 A. To my knowledge the plans are still not
12 final.

13 Q. Is it your anticipation that any required
14 easements will be obtained from the developer entity
15 that has requested service from your company?

16 A. For Valley View, Parcel C?

17 Q. Yes, sir.

18 A. Yes.

19 Q. Mr. Kahn, are there any easements that your
20 company will need to obtain from anybody other than
21 the developer of the location in question?

22 A. Is that for the parcels listed in this

1 docket or are you asking a question?

2 Q. I am just asking about all of the locations
3 listed in BK 2.6 in question.

4 A. There are certain parcels, for example,
5 under west Suburban which the company is seeking its
6 certificate for large undeveloped areas basically
7 adjacent to and surrounded by a service area for
8 which no plans have been prepared yet. So it is
9 difficult to answer that question without knowing
10 more specifics about the development, general
11 question.

12 Q. Which items are you referring to?

13 A. It is under West Suburban. It is the first
14 two line items on top of Parcel A.

15 Q. Other than those?

16 A. Other than those, whatever is listed in
17 this exhibit is what the company anticipates at this
18 time we would need for easements.

19 Q. Now, is it correct that many of those
20 easements have already been obtained from the
21 respective developers?

22 A. Yes, the developers obtained the easements

1 and then they granted them over to us.

2 Q. All right. Now, other than those and other
3 than the first two projects under West Suburban, are
4 all of the easements yet to be obtained going to be
5 obtained from the developer?

6 A. That is correct.

7 Q. And, again, by developer we are speaking of
8 the party that has requested the service in the
9 first place?

10 A. That is correct.

11 Q. Mr. Kahn, is it your understanding that
12 Illinois-American has provided a number of maps with
13 the application as well as a breakdown on costs or
14 certain costs in Exhibit BK 2.3?

15 A. That is correct.

16 Q. Has the company prepared any maps which
17 show the line routes for the various main extensions
18 that are involved in all these projects?

19 A. The company has individual maps for each
20 project which shows the routing of the mains. Those
21 are basically engineering drawings for each project.
22 But there is no one comprehensive map.

1 Q. Are there any maps other than the
2 engineering drawings you just described which would
3 show that?

4 A. Not at this time.

5 JUDGE JONES: Thank you, Mr. Kahn. Before we
6 set you free as a witness, we will see if Ms.
7 Sullivan or Ms. Scarsella have any follow-up
8 questions for you. Ms. Sullivan, do you have any
9 follow-up questions for the witness?

10 MS. SULLIVAN: None.

11 JUDGE JONES: Ms. Scarsella, anything from you?

12 MS. SCARSELLA: None.

13 JUDGE JONES: Thank you, Mr. Kahn. That
14 completes your examination.

15 THE WITNESS: Thank you.

16 (Witness excused.)

17 JUDGE JONES: Well, I think that brings us to
18 the Staff case.

19 MS. SCARSELLA: Staff would like to call
20 William Marr to the stand.

21 JUDGE JONES: Mr. Marr has been sworn so you
22 may proceed.

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WILLIAM MARR

called as a Witness on behalf of Staff of the
Illinois Commerce Commission, having been first duly
sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MS. SCARSELLA:

Q. Mr. Marr, please state your full name for
the record.

A. William D. Marr.

Q. Who is your employer and what is your
business address?

A. I am employed by the Illinois Commerce
Commission, 527 East Capitol Avenue, Springfield,
Illinois 62701.

Q. What is your position with the Illinois
Commerce Commission?

A. I am a water engineer in the Water
Department of the Financial Analysis Division of the
Commission.

Q. Did you prepare a written exhibit for

1 submittal in this proceeding?

2 A. Yes.

3 Q. Do you have before you a document which has
4 been marked for identification as ICC Staff Exhibit
5 1.0 which consists of 29 pages, including 28
6 typewritten pages and one cover page and is titled
7 the Direct Testimony of William D. Marr?

8 A. Yes.

9 Q. Did you prepare that document for
10 presentation in this matter?

11 A. Yes.

12 Q. Do you have any additions or corrections to
13 make to ICC Staff Exhibit 1.0?

14 A. No.

15 Q. Is the information contained in ICC Staff
16 Exhibit 1.0 true and correct to the best of your
17 knowledge?

18 A. Yes.

19 Q. If I were to ask you the same questions as
20 set forth in ICC Staff Exhibit 1.0 today, would your
21 responses be the same?

22 A. Yes.

1 MS. SCARSELLA: Your Honor, I move for
2 admission into evidence ICC Staff Exhibit 1.0. I
3 note for the record that this is the same document
4 that was filed via e-Docket on November 17, 2004.

5 JUDGE JONES: Thank you. Any objection to
6 that?

7 MS. SULLIVAN: No objection by the company.

8 JUDGE JONES: Let the record show that ICC
9 Staff Exhibit 1.0 filed as noted by Staff counsel
10 electronically on November 17, 2004, is hereby
11 admitted into the evidentiary record as it appears
12 on e-Docket. I would note that it appears as File
13 Number 1 in the e-Docket record entitled Direct
14 Testimony of the Staff.

15 (Whereupon ICC Staff
16 Exhibit 1.0 was
17 admitted into
18 evidence.)

19 JUDGE JONES: Ms. Sullivan, do you have any
20 questions for Mr. Marr?

21 MS. SULLIVAN: I have none.

22 EXAMINATION

1 BY JUDGE JONES:

2 Q. Mr. Marr, could you look at page 27 of your
3 testimony, please?

4 A. Yes.

5 Q. Now, is it correct that in response to a
6 question there regarding associated charges you
7 discuss a surcharge?

8 A. Yes.

9 Q. What is your understanding in terms of
10 whether the company in this docket is or is not
11 seeking approval to implement any new surcharges?

12 A. It is my understanding that the company is
13 not seeking any new surcharges to implement.

14 Q. Is the company seeking to revise any
15 existing surcharge through this docket to your
16 knowledge?

17 A. No, not through this docket.

18 Q. Okay. Finally, could you look at page 7,
19 line 150, 151, please?

20 A. Okay.

21 Q. There you discuss the source of water for
22 Valley Marina District, is that correct?

1 A. Yes.

2 Q. Is it your testimony that the source is a
3 well?

4 A. Yes, that's correct.

5 Q. In the current docket is Valley Marina the
6 only location at which well water is the source of
7 supply?

8 A. Yes, I believe so.

9 JUDGE JONES: No other questions. Thank you,
10 Mr. Marr. Any follow-up questions from anybody?

11 MS. SCARSELLA: None, Your Honor.

12 MS. SULLIVAN: None from the company.

13 JUDGE JONES: Okay. That completes the
14 questioning of Mr. Marr.

15 (Witness excused.)

16 Does the Staff have one more exhibit to
17 offer?

18 MS. SCARSELLA: Yes, we do, Your Honor. At
19 this time Staff moves for the admission of ICC Staff
20 Exhibit 2.0 which is entitled Affidavit of Phil A.
21 Hardas. This is the same document which was filed
22 on e-Docket on November 17, 2004.

1 JUDGE JONES: Thank you. Any objection to
2 that?

3 MS. SULLIVAN: No objections.

4 JUDGE JONES: Let the record show that ICC
5 Staff Exhibit 2.0, affidavit of Phil A. Hardas, is
6 admitted into the evidentiary record as it appears
7 on the e-Docket system under a file date of November
8 17, 2004, File Number 2.

9 (Whereupon ICC Staff
10 Exhibit 2.0 was
11 admitted into
12 evidence.)

13 JUDGE JONES: I believe that completes the
14 witnesses. Ms. Sullivan, I have one question that
15 you might be able to answer. During the
16 off-the-record discussion there was some discussion
17 regarding surcharges. Is the company in this docket
18 seeking to implement or change any existing
19 surcharges?

20 MS. SULLIVAN: It is not.

21 JUDGE JONES: Is the company seeking to
22 initiate any new surcharges?

1 MS. SULLIVAN: No, it is not.

2 JUDGE JONES: Thank you. Off the record
3 regarding further scheduling.

4 (Whereupon there was
5 then had an
6 off-the-record
7 discussion.).

8 JUDGE JONES: Back on the record. There was an
9 off-the-record discussion for the purposes
10 indicated. There is some post-hearing scheduling to
11 be done today but other than that it is my
12 understanding that both parties are in agreement to
13 mark the record heard and taken today. I believe
14 one post-hearing filing would be made on or before
15 January 5, 2004. It would be identified as IAWC
16 Exhibit BK 2.7. It will be an update to Exhibit BK
17 2.6. Then after that the company will be filing a
18 draft or suggested order on or before January 12,
19 2004. A draft of that will be provided to the
20 Commission Staff on some agreed-to date prior to the
21 actual filing of the draft order on the 12th.

22 Did the parties want to put any more

1 specific information in the record with regard to
2 that process? Okay. Let the record show no
3 response. So is there any objection then to the
4 post-hearing scheduling just stated for the record?

5 MS. SULLIVAN: Not from the company.

6 MS. SCARSELLA: Not from Staff.

7 JUDGE JONES: Let the record show that that
8 post-hearing scheduling is hereby put into place.
9 In accordance with that scheduling the company is
10 given leave to file IAWC Exhibit BK 2.7. In
11 addition, a draft order will be filed on or before
12 January 12, 2004.

13 All right. Do the parties have any
14 objection to marking the record heard and taken
15 today subject to those post-hearing filings?

16 MS. SCARSELLA: Not from Staff.

17 MS. SULLIVAN: Not from the company.

18 JUDGE JONES: Let the record show today's
19 hearing is concluded. In accordance with the above,
20 this matter is hereby marked heard and taken,
21 subject to the above-referenced post-hearing
22 filings. Thank you.

HEARD AND TAKEN

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